

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7148**  
**BILL NUMBER:** HB 1300

**NOTE PREPARED:** Dec 30, 2010  
**BILL AMENDED:**

**SUBJECT:** Collection of Sales Tax from out of State Vendors

**FIRST AUTHOR:** Rep. DeLaney  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State

STATE IMPACT	FY 2011	FY 2012	FY 2013
State Revenues			
State Expenditures	35,000		
Net Increase (Decrease)	(35,000)		

**Summary of Legislation:** This bill provides appropriations for the state to pursue enactment of the federal Main Street Fairness Act.

**Effective Date:** July 1, 2010 (retroactive).

**Explanation of State Expenditures:** *Summary* - This bill will allow an increase in state expenditures from the state General Fund by \$35,000 during FY 2011.

The bill appropriates \$25,000 in FY 2011 from the state General Fund to the Washington Liaison Office to pursue passage of the Main Street Fairness Act. The bill also appropriates \$10,000 in FY 2011 from the state General Fund to the Legislative Council and the Legislative Services Agency. This appropriation would pay for travel and other necessary expenses for members of the Indiana General Assembly to meet with members of Congress concerning passage of the Main Street Fairness Act. If either of these appropriations remain unexpended and unencumbered at the end of FY 2011, the amounts will not revert to the state General Fund. Instead, these appropriations would be available for the biennium beginning in FY 2012 for the same

purposes. The appropriations in this bill are in addition to the appropriations made under P.L. 182-2009(ss). For FY 2011, P.L. 182-2009(ss) appropriated \$242,500 to the Washington Liaison Office, and \$10,388,768 to the Legislative Council and Legislative Services Agency, as well as \$750,000 for legislator and lay member travel.

*Background Information* - H.R. 5660, or the Main Street Fairness Act, was introduced in the U.S. House of Representatives on July 1, 2010, and was referred to the House Committee on the Judiciary. The Main Street Fairness Act provides direction for when a state may impose Sales and Use Tax collection obligations on a remote seller. This legislation would allow any state that has adopted the Streamlined Sales and Use Tax Agreement to collect sales and use taxes from remote sellers.

There are currently 23 member states in compliance with the Streamlined Sales and Use Tax Agreement, including Indiana.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Legislative Council; Washington Liaison Office.

**Local Agencies Affected:**

**Information Sources:** Streamlined Sales Tax Governing Board, <http://www.streamlinedsalestax.org/>; H.R. 5660 Bill Text, 111<sup>th</sup> Congress, <http://thomas.loc.gov/cgi-bin/query/z?c111:H.R.5660>.

**Fiscal Analyst:** Jessica Harmon, 317-232-9854.